

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of

Acceleration of Broadband Deployment:)	
Expanding the Reach and Reducing the Cost of)	
Broadband Deployment by Improving Policies)	WC Docket No. 11-59
Regarding Public Rights of Way and Wireless)	
Facilities Siting)	

COMMENTS OF THE TOWNSHIP OF MONROE, PENNSYLVANIA

I. INTRODUCTION

The Township of Monroe located in Snyder County, Pennsylvania, files these comments in response to the Notice of Inquiry ("Notice") in the above captioned proceeding. As requested in the Notice, these comments include a description of the Township's policies and procedures related to broadband access to the public rights-of-way ("ROW's). They also include a description of the Township's authority under Pennsylvania law for adopting and implementing its ROW policies and procedures. Finally, the comments respond to the Commission's questions regarding possible actions it should take or not take with respect to ROW management practices. These comments do not address wireless facilities siting issues, except as they relate to wireless facilities in the ROW's.

The Township strongly supports the Commission's policy objective of expanding broadband deployment throughout the nation. We also share the Commission's view that ROW access by broadband providers must be on fair and reasonable terms through a predictable and timely process. The record below demonstrates that the Township's ROW policies and procedures place minimal cost and require minimal effort by broadband providers, are fully transparent, and result in prompt disposition of permit applications. In short, the Township is not an obstacle to broadband access to the ROW's. The Township strongly opposes, therefore, any effort on the part of the Commission to adopt guidelines or promulgate rules that address municipal ROW practices or fees. Any such attempt would amount to a solution in search of a problem.

In addition, Township's ROW management practices reflect multiple underlying policy interests of the Township. Whether those interests are public safety, physical maintenance of the streets and roads, protection of the Township's own facilities in the ROW's or control of traffic disruption, the Township must balance these interests with the interests of private occupants of the ROW's. This balancing of interests reflects the individual and unique conditions of our roads and our local community. A "one size fits all" regulatory regime imposed on a national scale would undermine these local interests, would be harmful to

broadband deployment and simply would not work as applied to thousands of diverse communities throughout the nation.

II. MUNICIPAL RIGHT-OF-WAY POLICIES

A. Timeliness and Ease of Permitting Process

A broadband provider who wishes to install aerial wires and/or other equipment in the ROW's is not required to obtain a permit from the Township. Should the provider wish to install wires and/or other equipment underground; however, it would first have to contact the Township office to learn about its permitting process. Upon contact with the Township office, the Township's local Street Excavations and Openings Ordinance (Ordinance No. 2001-5), the Township's Fee Schedule for Highway Occupancy Permits, and the Township's Permit Application will be forwarded to the applicant for completion. Ordinance No. 2001-5 has been in effect since the summer of 2001. The information required pursuant to the permitting application is clearly itemized in both the Ordinance and the Permit Application. Once the Permit Application is returned to the Township Office, the Township has never delayed the issuance of a permit. A decision is made usually within five (5) days, if not sooner. In short, the Township permitting process is clean, straight-forward, and prompt. While there are no turn-around time requirements articulated in the printed materials, the Township has not had occasion to hold-off in issuing a permit.

B. Reasonableness of Charges

The Township has a published Schedule of Fees for Highway Occupancy. The fees that the Township currently charge have been in effect since 1992 and have not been increased over the past 19 years. The fee schedule that the Township uses is the fee schedule recommended by Pennsylvania State Association of Township Supervisors ("PSATS"). These fees fall into two categories: (1) permit issuance fees; and (2) general permit inspection fees. With respect to both categories, the fees are a one-time flat fee charge.

The permit inspection fee charged for any company is \$50. As for the inspection fees, they are charged based on the linear feet of the excavation. By way of example, for an opening in the pavement that is less than 36 square feet, there would be a flat fee charge of \$30. Should the opening exceed 36 square feet then the fee would be slightly greater based on each 100 foot increment. For example, each 100 foot opening in a paved street would be \$40. If the opening were to be 300 feet long, then the inspection fee would be \$120 (3 x \$40). This \$120 inspection fee would be in addition to the \$50 permit issuance fee. There are no additional fees or recurring fees that the Township charges based on work in its rights-of-way. As demonstrated above, the Township's ROW fees are minimal and reasonable.

C. Non-Discriminatory Treatment

The Township treats all occupants in its rights-of-ways similarly. While its Street Excavations and Opening Ordinance states that it applies to "persons furnishing public utility services", the Ordinance is applied to all broadband providers wanting to do work in the

Township's rights-of-ways. The Township does not own the utility poles or street lights in the ROW's.

D. Policy Goals and Industry Complaints

It is essential for the Township to have well-defined right-of-way practices in place in order for it to maintain streets and roads in good condition. First and foremost, this is essential for public safety. With multiple wires, pipes, poles, pedestals, and other equipment in the ROW's, managing the ROW's to prevent safety hazards is critical. Safety is also an important issue with respect to traffic disruption when utilities work in the ROW's. Second, the Township has an interest in protecting its own facilities in the ROW's, including but not limited to, traffic signals, sewer facilities, and storm drainage basins. Finally, the Township has a strong public policy goal of maintaining the ROW's in good condition to protect a key municipal asset.

The Township is not interested in being an obstacle to companies that wish to do business and provide services within the Township; however, it has a responsibility to insure that whatever work is done, is done with regard for the physical condition and safety of the roadway. The Township has not experienced any problems with its existing application process nor has it received any complaint regarding its process or its fees.

III. MUNICIPAL RIGHT-OF-WAY AUTHORITY IN PENNSYLVANIA

Under Pennsylvania law, Monroe Township is classified as a Township of the Second Class, and as such is governed by the Second Class Township Code (53 P.S. § 65101 *et. seq.*). Pennsylvania statutes, in general, and the Second Class Township Code more specifically, provide Monroe Township with regulatory authority to manage its rights-of-ways. All statutes described below require that Monroe Township approaches its ROW management in a competitively neutral and non-discriminatory manner. There are two main statutes from which the Township derives much of its authority over the rights-of-way as a result of its Second Class Township status. First, the Township has broad police powers that provide that:

The board of supervisors may make and adopt any ordinances, bylaws, rules and regulations not inconsistent with or restrained by the Constitution and the laws of this Commonwealth necessary for the proper management, care and control of the township and its finances and the maintenance of peace, good government, health and welfare of the township and its citizens, trade, commerce, and manufacturers. 53 P.S. §66506

Right-of-way management falls within these broad police powers. More specifically, within the authority granted to Second Class Townships with respect to its roads, streets, bridges and highways, Second Class Townships have the power to issue permits in order to regulate entities entering upon and performing work on Township roads. As set forth in 53. P.S. §67322:

No railroad or street railway shall be constructed upon any township road, nor shall any railroad or street railway crossings, driveway connections, gas pipe, water pipe, electric conduits or other piping be laid

upon or in, nor shall any telephone, telegraph or electric light or power poles or any coal tipples or any other obstacles be erected upon or in, any portion of a township road except under conditions, restrictions and regulations specified in permits granted by the township for that purpose...

Unique to Second Class Townships in Pennsylvania, however, is that permit and inspection fees that are described above must be those fees as determined by the Pennsylvania Department of Transportation ("PennDOT"):

...The Township shall collect a fee as determined by the Department of Transportation for processing the application and another fee for making the inspection... 53 P.S. §67322.

In addition to the powers that Carroll Township derives from the Second Class Township Code, it also has specific statutory powers with respect to public utilities which are applicable to all municipalities throughout Pennsylvania. Section 1991 of the Municipal Code, entitled "Use of Streets by Public Utilities" provides in pertinent part:

The proper corporate authorities of such municipality shall have the right to issue permits determining the manner in which public service corporations...shall place, on or under or over such municipal streets or alleys...pipes, conduits, telegraph lines, or other devices used in furtherance of business; and nothing herein contained should be construed to in any way affect or impair the rights, powers, and privileges of the municipality in, on, under, over or through public streets or alleys of such municipalities, except as herein provided.

53 P.S. §1991. The operative part of this section is that municipalities have the legal right to issue permits to public utilities.

A similar right for all Pennsylvania municipalities with respect to public utilities is found in the Pennsylvania Business Corporation Law. Section 1511, entitled "Additional Powers of Certain Public Utility Corporations," primarily provides public utilities with the right to condemn property for utility-related purposes. Subsection (e) of the section, however, outlines the rights of utilities to use the streets and the parallel rights of municipalities to regulate that use. It states, in pertinent part, that "[b]efore entering upon any street, highway or other public way, the public utility corporation shall obtain such permits as may be required by law and shall comply with the lawful and reasonable regulations of the governmental authority having responsibility for the maintenance thereof." 15 Pa. C. S. §1511(e).

In sum, Monroe Township has well established legal authority over the streets and roads within its jurisdictional boundaries. This includes its general police powers to adopt ordinances for the management of the Township and for the safety and welfare of its residents. It also provides the authority to regulate all activity within its rights-of-way. This authority applies to all occupants of the rights-of-way, including broadband providers.

IV. THE COMMISSION SHOULD NOT REGULATE LOCAL RIGHT-OF-WAY MANAGEMENT

A. Introduction

The Township of Monroe supports the Commission's policy objective of expanding broadband deployment throughout the nation and throughout our Township. We agree that broadband technology and services promote economic development and vastly improve education, healthcare and other critical services. In addition, broadband competition has the potential to lower rates and improve customer service for our residents. For that reason, we have encouraged and welcomed broadband deployment and competition in our community.

The Township also shares the Commission's view, as expressed in Paragraph 4 of the Notice, that access by broadband providers to the ROW's must be on fair and reasonable terms through a predictable and timely process. For that reason, the Township has developed a regulatory structure, as described above, that places minimal cost and requires minimal effort by broadband providers, that is fully transparent and that results in prompt disposition of applications. The Township has developed an expertise in managing occupants of the ROW's in a manner that reflects the particular, local conditions of the community.

The Township strongly opposes, therefore, any effort on the part of the Commission to adopt policy guidelines or rules that address municipal ROW practices or fees. There is no evidence whatsoever that the Township's ROW policies or practices discourage broadband deployment. On the contrary, the Township's policies encourage broadband deployment. This is not only illustrated by the Township's ROW management practices, as described in Section II above, but also by the fact that there have been no known complaints by broadband providers regarding these practices. If there was a problem, the providers no doubt would have brought it to the attention of the Township. This has not occurred.

The purpose of the Notice is to explore "specific steps that could be taken to identify and reduce unnecessary obstacles to obtaining access to rights-of-way..." (NOI ¶10). Based on the Township's ROW practices with respect to broadband providers and its legal authority for managing the ROW's described in Section III above, the Township poses no obstacle to broadband deployment. We urge the Commission, therefore, not to attempt to regulate, through new rules, guidelines or other mandatory mechanisms, local management of the ROW's.

B. Right-of-Way Procedures and Fees

The Notice asks for a detailed description of the Township's broadband policies and procedures with respect to the ROW's. Section II above demonstrates that the Township's ROW regulations are neither complicated nor obtuse. They are straightforward and easily accessible. The information requested from broadband providers relates only to the company's physical use of the ROW's. There is no discriminatory treatment among broadband providers—either wired or wireless. In addition, ROW permit applications are processed in a timely fashion and permits are issued promptly.

The fees charged by the Township for ROW permits are fair and reasonable. The Township is aware that municipalities throughout the country typically elect one of two methods for determining ROW management fees—the “value method” or the “cost method.” By “value method” we mean the market value of the ROW as customarily assessed as a percentage of the provider’s gross revenues. This is the statutorily permitted method, of course, for determining franchise fees from cable operators for use of the ROW’s. *See* 47 U.S.C. § 542. This is also a legitimate method for municipalities to employ with respect to broadband providers and most closely approximates the actual value of the property that the municipality holds as a public trust.

The “cost method”, on the other hand, is based on the municipality’s actual costs in managing the ROW’s. These costs necessarily include the Township’s direct operating costs (including, but not limited to, personnel time in permitting and inspections), indirect operating costs (including, but not limited to, support functions for ROW management), capital costs (including, but not limited to, equipment, computer hardware and software) street degradation costs (the reduction in street life due to excavations), etc. The Township’s current ROW-related fees are significantly lower than the fees that would be assessed by both the “value method” and the “cost method.”

C. Policy Goals and the Need for Local Control

The policies underlying the Township’s ROW practices are myriad and reflect the multiple public policy interests of the municipality. These interests must be balanced with the interests of the private occupants of the ROW’s to achieve an effective regulatory structure. The first and foremost goal is public safety. It is critical that the wires, pipes, poles, pedestals and other equipment in the ROW’s are installed and maintained in a safe manner. By way of example, there have been at least two recent incidents in Pennsylvania in which communications company contractors pierced gas lines in the ROW that resulted in personal injury and destruction of property. This occurred in Hempfield Township in Westmoreland County on March 22, 2000 and in Moon Township in Allegheny County on March 16, 2005.

Second, the Township has a strong interest in maintaining its streets and roads in good condition. The public ROW’s are one of the most important assets of any municipality and must be properly maintained. The streets and roads of different municipalities are completely different from each other, depending on such factors as terrain, the time period in which they were constructed, whether they have sidewalks, the density of the residential or commercial corridor, etc. For municipalities in the Northeast/Midwest, ROW maintenance can be especially challenging during harsh winters.

Third, the Township has an obligation to protect and maintain its own facilities in the ROW’s. These include, but are not limited to, traffic signals, water and sewer facilities, storm drainage basins, etc. These facilities must reside in close proximity with the equipment and facilities of the other occupants of the ROW’s. Finally, it is important that vehicular traffic disruption be safely controlled during installation or maintenance of communications facilities.

In short, the Township must balance multiple ROW public policy goals that reflect the particular conditions of the Township. These goals apply not only to broadband providers, but also to telephone, gas, electric, water and other providers. These goals are inherently local and reflect the individual and unique conditions of our roads and our local community. They are

inconsistent with the Commission's national perspective. While the Township embraces the goal of broadband expansion and has adopted minimal and reasonable regulations for broadband access to the ROW's, it must balance this goal with its own local interests. A "one size fits all" regulatory regime imposed on a national scale simply will not work. It will undermine these local interests and harm broadband deployment, causing extensive delays as municipalities attempt to integrate a national template into its local practices.

D. The Commission Should Not Interfere With Local Right-of-Way Management and Should Take Action to Preempt Pennsylvania's Municipal Broadband Prohibition

The Township's ROW practices as outlined in Section II above are reasonable and flow from the legal authority granted to it by the Commonwealth of Pennsylvania as outlined in Section III above. They do not present any obstacle to broadband deployment. As such, the Township strongly opposes any effort by the Commission to engage in rulemaking or adjudication with respect to municipal ROW management or fees.

In response to the specific questions posed in the Notice regarding "Solutions" (Notice, ¶¶34-50), the Township could potentially support and participate in Commission sponsored educational efforts and voluntary activities (¶37) as well as the compilation of best/worst practices (¶ 38). Any efforts to adopt policy guidelines (¶46), promulgate rules (¶47), make recommendations to Congress (¶44) or establish Commission sponsored mediation (¶42), however, would be an unnecessary and harmful interference with local ROW management.

Having said this, a law in Pennsylvania that is a genuine obstacle to broadband deployment is the prohibition against municipal broadband deployment embodied in Chapter 30 of the Pennsylvania Public Utilities Code. Specifically, Section 3014(h) states that political subdivisions (generally municipalities or counties) are prohibited from offering broadband services to the public for compensation. 66 Pa. C.S. §3014(h). The only exception is if the municipality or county submits a written request to the incumbent local exchange carrier (ILEC), and if the ILEC decides not to deploy the requested broadband service (at the requested data speeds) in that jurisdiction.¹

This conditional prohibition on community broadband has had a major "chilling effect" on broadband deployment in Pennsylvania. A large portion of Pennsylvania is comprised of rural communities, and many providers appear to have decided, presumably after performing a cost-benefit analysis, not to deploy broadband in many of these communities. As a result, these communities often have slow and substandard internet service that stymies economic development and impedes advances in education, healthcare and other services.

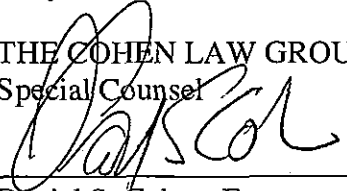
The Commission is well aware of the rapid growth of community broadband networks throughout much of the nation. With rare exceptions, however, the deployment of such networks is effectively barred in Pennsylvania. We strongly urge the Commission to take the appropriate

¹ If the ILEC agrees to provide the requested broadband service, then it must do so within 14 months of the receipt of the request from the municipality or county. Id.

steps, through either regulation or recommendation of legislation, to preempt the prohibition of municipal broadband networks in Pennsylvania and similarly situated states.

Respectfully submitted,

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The United States Conference of Mayors